

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, October 31, 2011, 4:30 PM  
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Vice-Mayor Tom C. Parham

Alderman Valerie Joh

Alderman Benjamin K. Mallicote

Alderman Mike McIntire

Alderman Tom Segelhorst

Alderman Jantry Shupe

*(arrived shortly after roll call)*

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:38 p.m. by Vice-Mayor Parham.
2. **ROLL CALL:** By Deputy City Recorder Angie Marshall. Absent: Mayor Dennis Phillips.
3. **WORK SESSION TICKLER.** Alderman Joh commented on a letter from a citizen about the new round-about. She also stated that there would be Christmas ornaments available featuring the Carousel. Vice-Mayor Parham commented on the progress of the Board of Education/Chamber of Commerce building, as well as Fire Station 8. Assistant to the City Manager Chris McCartt gave an update on the Riverfront and Aquatic Center projects, noting both are moving forward.

At Vice-Mayor Parham's request, City Manager Campbell gave a brief update on the status of the retirement options plan and the bridge consideration. Mr. Campbell explained the State Treasurer was here last week for a regional meeting discussed a possible defined contribution plan and suggested options to take to the legislature after studying other states. He further stated the final recommendation would be made in January. Answering a question from Alderman Shupe regarding a timeline, Mr. Campbell explained this could be done at any time before leaving the TCRS (Tennessee Consolidated Retirement System), but ideally should be done before a final budget.

4. **REVIEW OF AGENDA ITEMS ON THE NOVEMBER 1, 2011 REGULAR BUSINESS MEETING AGENDA.** City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

**VI.AA.1 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part A Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 289-2011).** City Planner Ken Weems presented this item and the following three items, noting this area included 330 acres, 105 school kids and just over 600 residents. He further noted the Planning Commission unanimously voted to send a positive recommendation in favor of these annexations. Vice-Mayor Parham pointed out the neighborhood meetings seem successful, noting more questions than objections.

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Alderman Joh asked about the percentage of annexed children who actually switched to city schools. City Manager Campbell explained that although an exact number is not known, city schools have about 80 to 100 more children than they thought they would have this year.

**VI.AA.2 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part B Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 290-2011).** See Item VI.AA.1.

**VI.AA.3 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part C Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 291-2011).** See Item VI.AA.1.

**VI.AA.4 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part D Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 292-2011).** See Item VI.AA.1.

**VI.B.2 Consideration of an Ordinance Establishing the Border Region Retail Tourism District (AF: 293-2011).** Community and Government Relations Director Tim Whaley provided details on this item, commenting that the development of this idea is the result of a year-long effort with regards to special districts, incentives and how Kingsport could get on more equal footing with surrounding border retail areas, such as Exit 7 in Bristol, Virginia. He discussed the allowances of state law regarding sales tax percentages and identified a 950 acre tract of land near the intersection of Interstate 26 and Interstate 81 as the best potential site for this project. Mr. Whaley further stated this area is all included in the urban growth boundary, noting a key element is the realignment of Fordtown Road, which is scheduled for December. Assistant City Manager for Development Jeff Fleming explained the hierarchy of retail, stating this would be an 800,000 square foot super-regional center. Vice-Mayor Parham noted the stunning potential for this project. Alderman Joh pointed out this was one of the last few developed interstate exchanges.

**VI.C.6 Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 5 Part D Annexation (AF: 265-2011).** City Attorney Billingsley noted this ordinance needed to be amended at the business meeting tomorrow night to reflect the language "13<sup>th</sup> and 14<sup>th</sup> civil districts."

**VI.D.4 Consideration of a Resolution Awarding the Bid for the Purchase of Two (2) Diesel Powered Single Axle Dump Trucks to Smoky Mountain Truck Center, Inc. (AF: 297-2011).** Alderman Segelhorst questioned the difference in engine specifications. Fleet Manager Steve Hightower stated the engine was not compatible with the applications necessary for the City. He further explained the process for a non-compliant bid.

**VI.D.6 Consideration of a Resolution Authorizing the Purchase of the Pet Dairy Property Located at 1113 Konnarock Rod and Authorize the Mayor to Execute a Purchase Agreement and Sign All Applicable Documents (AF: 299-2011).** City Manager Campbell stated this granted the authority to let Pet know we wanted the property, subject to final review. He further noted they seemed motivated to sell by the end of the year. Public

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Works Director Ryan McReynolds provided further information, describing the intended use of the facility. Mr. McReynolds also commented on other options that had been considered for the needs of public works, but were not as optimal or cost effective as this property would be. There was some discussion as Mr. McReynolds answered questions from the Board.

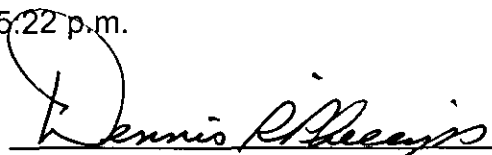
**VI.D.7 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount Not to Exceed \$16,250,000** (AF: 301-2011). Mr. Rick Dulaney, financial advisor from the Nashville office of Morgan Keegan commented on the positive financial climate of Kingsport and discussed financing options in this economy. He further noted it was a great time to borrow if necessary, as bonds were being sold in a competitive marketplace. City Manager Campbell stated he was prepared to discuss the projects at this time; noting only three or four projects were not already included in this year's Capital Improvements Plan and describing the process. Vice-Mayor Parham suggested the Board be provided an educational opportunity to look at the big picture, rather than seeing projects on a piecemeal basis. Mr. Campbell stated the next work session on November 21 would begin one hour early (at 3:30 p.m.) to address these issues. City Recorder Demming pointed out the difference between the initial and the detailed resolution, noting the initial resolution only announced the intent to sell the bonds (via a newspaper ad) and gave the public an opportunity to respond. City Attorney Billingsley clarified that only the detailed resolution would be pulled at this time.

**BOARD COMMENT.** None.

**PUBLIC COMMENT.** None.

**8. ADJOURN.** Seeing no other matters presented for discussion at this work session, Vice-Mayor Parham adjourned the meeting at 5:22 p.m.

  
ANGELA MARSHALL  
Deputy City Recorder

  
DENNIS R. PHILLIPS  
Mayor